
IAWAI – Flowing Waters, Board Meeting

CONFIRMED OPEN MINUTES

28 August 2025, 9.30am

Minutes of a meeting of the IAWAI – Flowing Waters, Board held in Committee Room, Waikato District Council, Ngaaruwaahia on Thursday 28 August 2025 at 9.30am

PRESENT

Chairperson Kevin Lavery

Members Dave Chambers

 Tim Manukau

2. Apologies

None

3. Declarations of Interest

None

4. Minutes from previous meeting

Confirmed

5. Public Forum

John McDonald: shared his analysis of differences between the financials presented in the December 2024 joint HCC/WDC Local Water Done Well business case and June 2025 HCC/WDC Water Services Delivery Plan. He expressed concern about lack of financial transparency, public consultation on affordability measures, and was of the view that Hamiltonians were sold one thing and getting something different. He considered that an in-house business unit should be re-considered.

Raymond Mudford and Colin Jones: cited their views of lack of public consultation on the process to create a joint CCO. They noted the importance of engagement with new Councils following the local body election, to ensure they are fully informed of the risks and benefits of the proposals. They suggested that any implementation is delayed for 12 months. They considered HCC track record of projects running over cost and over time. They expressed concern around affordability, noting the importance of considering alternative solutions.

Stop the Stink – represented by Shelly Wilson: expressed opposition to the proposed location for the Southern Wastewater Treatment Plant. They considered the selection process is flawed and sought transparency, consultation, and relocation. They outlined their concerns regarding

environmental and cultural impacts of the plant at the site. They had an alternative site in mind that they propose be considered.

The Board noted they would respond to submitters in writing within 7 days.

Responses are attached to these minutes.

6. Chairs report

Kevin Lavery presented his Chair's report and provided an update on the six areas of focus for the Board – and the importance of working together.

He noted the overriding objective of a successful, smooth transition to go live.

The Water Services Strategy – and associated financials was a priority. He asserted the importance of striking the right balance looking at full life cost, maintenance requirements of our plant and network, the opportunities for efficiencies, ensuring a tight, deliverable and affordable capital programme and ensuring that growth pays for growth.

He also mentioned the CEO recruitment process which was about to commence.

7. Establish IAWAI Programme Update

Peter Winder spoke to the work being undertaken on behalf of shareholder Councils to set up IAWAI. Overall, the programme was on track, although the workload was heavy. Risks were being monitored and mitigated.

The Board commented on the importance of a comprehensive briefing to incoming Councils following the local body elections.

Resolved

The Board received the report.

8. Water Services Strategy

Vishal Ramduny presented this report. He noted the Water Services Strategy as the primary strategic, financial, and infrastructure planning and accountability document for water service providers. Progress was underway across both Councils to develop the WSS. A draft was expected in November but was highly dependent on outcomes from others.

The Board would receive monthly reports on progress, risks, issues.

A comprehensive approach to engagement was being developed. This included with Waikato Tainui, mana whenua, shareholding Councils and communities. Formal consultation was expected in March / April.

The Board expressed key areas of interest including:

- A flexible financial model
- Are we appropriately funding growth
- Any shortfalls in renewals compliance that need to be addressed
- At what level are we going to deliver
- Any new regulatory requirements we need to take on board
- What levels of efficiencies can we expect
- Vision and what this means for investment

- Key performance measures to ensure we're on track
- Noted the financials will drive affordability.

Resolved

That the Board:

- a. Received the update on the development of the Water Services Strategy 2026-2036.
- b. Approved the high-level project plan set out in attachment 1.

9. Strategic Investment Portfolio

Jackie Colliar presented this report, which outlines the major transformational projects IAWAI has been contracted to manage. Projects are reliant on existing staff and finances to deliver. She noted a project by project introduction will take place through induction meetings. Monthly reporting on the status of the projects will be presented to future Board meetings.

The Board noted interest in reporting cover:

- Any major risks the Board should be aware of
- Whether the projects meet benefits intended at different gateway points.
- Staff bring solutions with mitigations, and what the Board needs to do to get well on projects.

Resolved

that the Board:

- a. Receives the report.
- b. Notes that an introduction to each programme/project in the portfolio will occur as part of the Board's induction.
- c. Endorses proposed Portfolio Programmes approach.

10. Water network (water metering and management service)

Lisa Inglis presented this paper. She outlined the requirement under legislation to transition away from charging for waters using capital value rating (Hamilton's current model) within 5 years.

She noted universal water metering as a key tool for managing water demand and method of charging based on usage. There is a strong expectation from Government that water meters be rolled out where they are not already.

The paper sought the Board's agreement to a pilot project. The pilot project would not change how or what customers are charged, it will simply allow IAWAI to trial and assess possible metering solutions.

Resolved

That the Board:

- a. Receives the report;
- b. Receives the first stage of the Investment Case **(public excluded)**;

- c. Approves that staff progress to the second stage of procurement for the water network – a Request for Tender (RFT), with scope confined to a pilot of technology (software and meters), plus implementation services;
- d. Notes that, subject to the outcomes of (c), a third stage be undertaken with a larger pilot;
- e. Requests staff to update shareholders via the next IAWAI – Flowing Waters Forum, including on engagement with the community on the pilot;
- f. Notes the commencement of field surveys for Hamilton City Council, to inform programme costs;
- g. Requests staff to report back to IAWAI following the analysis of pilot outcomes and options.

11. Resolution to Exclude the Public

Resolved

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution.
Water network (water metering and management service) Investment Case	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)
Development Agreement Negotiations – Te Kowhai	To enable WDC and IAWAI to carry out commercial activities without disadvantage; to enable WDC and IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)

The meeting was declared closed at 11.00am

4 September 2025

John McDonald

Via email: [REDACTED]

Dear John

IAWAI Response to public submission

Thank you for speaking to the IAWAI Establishment Board at its meeting on 28 August 2025. The Board has asked me to respond on their behalf.

The Board has heard your call for transparent financial information to inform decision making, and a focus on affordability for ratepayers for future charges. We would like to reassure you that these issues are high on IAWAI's agenda.

In your presentation you highlighted a difference you had calculated between numbers in the Hamilton City Council / Waikato District Council Joint Business Case and the Water Services Delivery Plan (WSDP).

While we can't comment on your calculations directly, not knowing exactly how you pulled these numbers together, we do note the business case only represents the CAGR over the 8-year period from 2027-28 to 2033-34.

If we compare the CAGR for the same years in the Business Case versus the (uninflated) WSDP in June, there are slightly different numbers but not significant differences. There were some changes made between the two iterations that did alter results slightly – as further work was progressed.

While the business case and WSDP were robust, they illustrated a “proof of concept” – modelled off existing council revenue and capital programmes. Future charging will be decided through the Water Services Strategy (WSS), currently being developed. The WSS will be IAWAI's version of a Long-Term Plan.

The Board will be reviewing and rebuilding the budget from the bottom up as the WSS is developed. The Board will be looking at opportunities for efficiencies – and how it can deliver things differently as a water focused organisation.

Given that we are in September, the potential for savings in year 1 are limited, given the time it takes for changes to have an impact. There will be more opportunities from year 2.

We caution though that any savings will need to be considered in the context of the Government's legislation – including requirements to provide for sufficient investment (including responding to growth), revenue sufficiency, and increased regulatory standards.

The WSS will be publicly consulted in around April 2026, and the community will have an opportunity to provide feedback then.

We have attached the additional chart you requested.

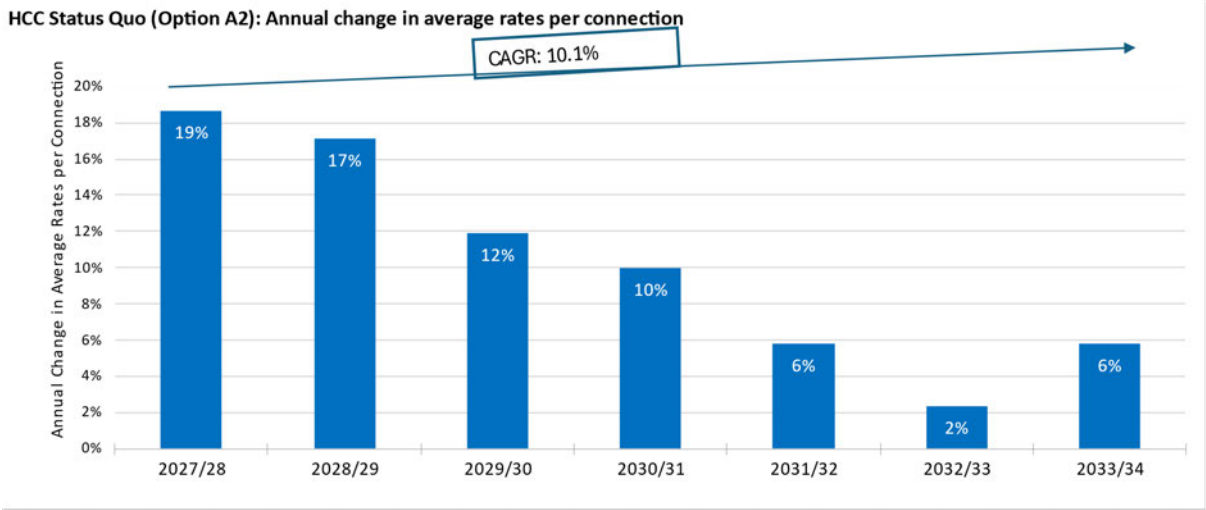
Thank you again for taking an interest in the work of IAWAI.

Warm regards

Regards

Natasha Yarrall
IAWAI – Governance Director

Attachment 1:



4 September 2025

Raymond Mudford and Colin Jones

Via email: [REDACTED]

Dear Raymond and Colin

IAWAI Response to public submission

Thank you for speaking to the IAWAI Establishment Board at its meeting on 28 August 2025. The Board has asked me to respond on their behalf.

The Board heard your views on the importance of public consultation, engagement with the incoming councils on IAWAI and its future, and your offer to share information and support the Board.

We agree that a partnership relationship between IAWAI and shareholder councils is vital to everything we do. The Statement of Expectations sets this out clearly. It reinforces that it is in the best interests of all parties and the communities that we serve to establish and maintain a highly collaborative relationship.

We look forward to building on the relationships we have with new Elected Members following the local body elections. A key focus after the elections will be collaborating with shareholding councils on the development of the Water Services Strategy (WSS).

The WSS will also be publicly consulted in around April 2026, and the community will have an opportunity to provide feedback then.

In response to other comments around projects delivery delays, and considering micro-system solutions, IAWAI is currently focused on a safe transition to operations for 1 July 2026. As part of its process will be looking at the full capital works programme, how we deliver, and importantly, how we create a customer focused water services company for the future.

Thank you again for taking an interest in the work of IAWAI.

Warm regards

Natasha Yarrall
IAWAI – Governance Director

9 September 2025

Stop the Stink

Via email: [REDACTED]

Tena koutou,

Response to Your Submission to the IAWAI Board

Thank you for your presentation and submission to the IAWAI Board on Thursday, 28 August 2025. We acknowledge the time, thought, and energy you put into preparing and delivering your views. Your concerns about the Southern Wastewater Treatment Plant project and its proposed location have been clearly heard and are being taken seriously. The Board has requested I respond to your submission on its behalf.

We understand that this project raises deep concerns for parts of the community. The prospect of a large infrastructure development near your homes and properties is not something to be taken lightly. We want to assure you that your voices are not only respected—they are helping shape the way forward.

The Southern Wastewater Treatment Plant is a once-in-a-generation project, designed to support the future growth of the Waikato while upholding our shared responsibility to protect and restore the environment. It is part of a wider, integrated wastewater management programme developed between 2020 and 2022 for the Waipā–Waikato–Hamilton Metropolitan Area. This programme is being delivered in partnership with Hamilton City Council, Waipā District Council, Waikato District Council, Waikato-Tainui, and Mana Whenua.

At the heart of this work is a commitment to deliver ‘Best for River’ outcomes by giving effect to *Te Ture Whaimana o te Awa o Waikato – the Vision and Strategy for the Waikato River*. This means treating wastewater to a very high standard and aiming to improve water quality, not just maintain it.

We also want to acknowledge the critical role of Iwi and Mana Whenua in this project. Through a dedicated Kaitiaki Roopuu, they are represented at all levels of governance and have been instrumental in shaping the project to date, including the selection of the preferred site and the short-listing of discharge options.

In addition to these factors, we are committed to ensuring that the project also meets the expectations of the surrounding community, and that we are seen as a ‘good neighbour’. At the core of this is the commitment to ensuring that there are no unacceptable effects beyond the site that impact the environment as it is now, and as it evolves over time.

The proposed site at 131 Raynes Road was chosen for its physical characteristics, strategic location—close to the Southern Links Transport Corridor and Hamilton Airport—and its ability to service key growth areas such as Peacocke Development area, the Airport Industrial Precinct, southern Hamilton and other future development areas south of Hamilton. The site is large (34 hectares), allowing for generous buffers to neighbouring properties. It is expected that only around 10 hectares will be needed for the plant over the

next 30 years, leaving significant space for screening planting, environmental restoration, ecological corridors, and potentially community amenities. These opportunities will be explored through the project, and we will genuinely welcome your ideas on how this space could be used to benefit the community.

We also want to be clear: this will not be an old-style plant with open ponds and unacceptable odour emissions. The Plant will use modern treatment systems with robust odour and noise controls, and backup systems to prevent untreated discharges or groundwater contamination. We are planning site visits to similar modern facilities so that community members can see firsthand what this looks like in practice.

Importantly, no decision has been made yet on how or where the treated water will be discharged. The three short-listed options—discharge to land via rapid infiltration beds, discharge to water via wetlands, or direct discharge to water—are still being assessed. Community input will be part of determining the preferred option and location.

We acknowledge your concerns that you were not involved in the site selection process. However, you can be assured that despite this, in the evaluation process, careful consideration was given to the nature of the surrounding environments of potential sites, and how the project might impact the amenity of the environment. This approach is consistent with the requirements of the Resource Management Act 1991.

Nevertheless, we understand that you have concerns about how the project might adversely impact your homes and surroundings, and we are wanting to work through those issues with you. We remain confident that together we can identify your concerns and positively address them.

In addition, while we have a preferred site, we understand that you have been working on identifying a suitable alternative site, and we are open to reviewing your findings.

In the meantime, we will be moving forward with ongoing community engagement on the preferred site. So far, we have:

- spoken directly with most landowners adjacent to the site
- sent letters to surrounding landowners with project information
- launched a project e-newsletter and website
- shared key reports and assessments online
- met face-to-face with several stakeholders.

To support your understanding of the project, we've attached further information to this letter.

We are committed to continuing this dialogue. Two community information sessions will be held in Rukuhia in November with dates and locations to be advised shortly. These sessions will be an opportunity to meet the project team, ask questions, and learn more about the process and the technology involved. They are just the beginning of a wider engagement process that will continue over the next 12–20 months.

We also welcome the opportunity to meet with you ahead of these sessions. The Chief Executives of Hamilton City Council and Waipā District Council, along with the Executive Chair of IAWAI and myself, would be pleased to meet informally with some representatives of your group to better understand what

information would be most useful to you and how we can support a more constructive conversation moving forward.

Staff will reach out to you directly to confirm if this is of interest, and look for suitable dates for a meeting.

Thank you again for your advocacy, your care for the environment, and your commitment to your community. We look forward to continuing this koorero with you.

**Ngaa mihi nui,
Jackie Colliar**

**Director Strategic Investment Portfolio
Iawai – Flowing Waters**

ATTACHMENT 1: FURTHER INFORMATION

Further information on the project is available on our project website on the matters outlined below is included in this attachment:

- Why this project is necessary
- The steps we have taken to progress the project to date
- Roles and responsibilities of the different Councils and IAWAI Responses to the specific concerns raised in your presentation.

Why is this project necessary?

The Waikato region has seen significant growth and development in commercial, industrial and residential areas. This growth will continue with the development of the Southern Links and Airport precincts, within Hamilton City, on the fringes of Hamilton City (including south of Hamilton) and north of Hamilton through to Taupiri and beyond.

This growth is placing pressure on existing wastewater services at Hamilton's only wastewater treatment facility in Pukete, and creating further demand for wastewater treatment and management services in the sub-region.

Hamilton's Pukete Wastewater Treatment Plant (WWTP) and other regional plants are undergoing upgrades to meet both the short-term and long-term wastewater servicing needs for the Hamilton Waikato Metro Area (which extends from Taupiri in the North to Te Awamutu and Cambridge in the South, Te Kowhai in the west and Tauwhare Paa in the east).

In the southern part of the Metro area, the long-term solutions involve a major upgrade to the Cambridge WWTP and a new WWTP. All of these projects are needed to manage future growth and protect and enhance the environment.

The new Southern SWWTP will over time service the Hamilton Airport industrial precinct, surrounding area and the southern Hamilton suburbs including Peacocke, and eventually Maatangi and Tauwhare Paa.

Site investigation process

Investigations for the new SWWTP started in 2022, building on earlier work and were undertaken in partnership with the Kaitiaki Roopuu and other project partners. Eight sites across Hamilton City, Waikato and the Waipaa District were initially considered to understand where the best location for the new SWWTP would be. These formed a long list of sites.

Through investigations, which included a sub-regional level constraints mapping (creating a detailed map of the sub-region showing all the places where construction is not possible or where caution is needed), this list was reduced to a short list of four options.

Technical investigations, led by Beca, and cultural investigations led by the Kaitiaki Roopuu, were then carried out on the shortlisted sites from 2022 – 2024. Each of the shortlisted sites were assessed on whether they met key criteria including:

- Detailed Business Case Programme and SWWTP Project Objectives
- Operational matters (including discharge options, servicing)
- Conveyance of flows
- Physical constraints and buildability
- Natural environment features and extent of potential impacts
- Potential impacts on the existing and proposed built environment
- Whether there are culturally significant areas or findings on a site.

There was no site specific engagement with neighbouring communities of each site, given the early stage of the selection process. Nevertheless, the investigations ensured that the sensitivity of the surrounding environments were in consideration. In March 2025, HCC confirmed 131 Raynes Road as the preferred site. It is a large site, 34 hectares, and is in a good location to service future development areas, is large enough to provide necessary buffers between neighbouring properties, has access to power and communication services, and good topography with no significant natural features or known archaeological sites.

Who does this project sit with – roles and responsibilities

The genesis of the project comes from a collaborative partnership between Hamilton City Council (HCC), Waikato District Council (DC), Waipa DC, Waikato-Tainui and Mana Whenua. The Metro Wastewater Detailed Business Case (DBC) accompanied by a Memorandum of Understanding (MoU) was approved by the partners. These documents set out specific projects to be implemented, the lead organisation for each project and key principles and undertakings associated with implementation. Prior to 1st July 2025, HCC were the lead for the SWWTP project. HCC have led all technical investigations and purchased 131 Raynes Road. Collaboration across the partnership has continued throughout the project.

In late June 2025, HCC and Waikato DC established IAWAI – Flowing waters, to provide water and wastewater services for Hamilton and Waikato District Communities. IAWAI is currently being established and will be fully operational from 1st July 2026. However, ahead of IAWAI being fully operational, HCC and WDC have transferred the management of a portfolio of major projects to IAWAI. This portfolio includes the SWWTP project. This means that IAWAI are responsible for managing the SWWTP project, however the project will continue to be delivered in partnership. The project website is still located on the HCC website, however as IAWAI systems are developed, this will change to be hosted on the IAWAI Website.

Concerns raised in submission to the IAWAI Board

Immediate vicinity and Nukuhau Stream:

1. Odour from operations

This project is in its early stages, with construction likely several years away, and we have yet to start planning what the SWWTP might look like. This means we don't have all the answers yet. What we can tell you is:

- This won't be your usual wastewater treatment plant – we will use a modern design with leading technology that will treat wastewater, so it is as clear as drinking water. It will also look compact and most importantly, it won't have any large smelly ponds.
- The site is very large, 34 hectares, and the Plant will only take up a small portion of the land which means there will be a large buffer zone between it and the surrounding properties that could be used for other activities.
- Mitigation measures are likely to include facilities within the Plant that remove smell such as bio filters and scrubbers, and noise silencers to reduce noise.

Throughout the design phase, we want to work closely with landowners to get the best outcome. This means meeting face-to-face with residents at regular intervals throughout the project to share information and seek feedback.

2. Heavy traffic chemical deliveries and removal of solid wastes

The process of chemical deliveries and the removal of solid waste is unknown at this stage in the project. This is something that will be considered as we design the Plant. To inform this work, we will be undertaking a traffic assessment which will consider how the Plant will be developed overtime and what construction and operational traffic might look like. When we have this information, we will come back to the community.

3. Risk of treatment system failures leading to untreated discharges

While we have yet to start the design process, we do know a key aspect of the design will be a backup system for each process in the Plant in case of failures. Should those back-ups fail, there will be facilities which will hold wastewater until repairs can be made, preventing wastewater from being discharged to ground. The Plant will also be designed in a way that makes it easy to repair any mechanical issues should they arise.

4. Groundwater contamination – many residents rely on bore water

Any leakage from the site to the ground will be prevented through the design of the Plant and contingency facilities which would prevent leakage to the ground.

Regarding discharge options, one of the shortlisted options is a rapid infiltration discharge to land (higher rate discharge to well drained soils). The method for discharge has yet to be confirmed and, as part of this, further work will be undertaken to assess the potential for groundwater contamination. If there is the potential for unacceptable levels of groundwater contamination, we would not select this option.

5. Faecal microbial and virus exposure from contact with Nukuhau Stream

We are currently considering three discharge options for the Plant. These are: rapid infiltration to land, discharge to Nukuhau Stream and discharge to the Waikato River.

Should discharge to the Nukuhau Stream be selected as the preferred option, the treatment and disinfection processes in the Plant will kill bacteria and viruses to levels well below the standard for

swimming and levels currently in the stream. The same treatment standard will apply to discharge to the Waikato River.

With any option, the wastewater will be treated to a high standard and, once treated, will be as clear as drinking water.

6. Chemical and microbial contamination of mahinga kai harvested from stream (primarily tuna – eels)

While a decision has not been made on the method of discharge from the Plant, if discharge to the Nukuhau Stream is the preferred option, there is the potential that this will improve the health of the stream by keeping it flowing with water in times of drought. We will be carrying out further ecological surveying in the coming months to consider this in more depth.

7. Ecotoxic effects of chemicals from industrial activity at Titanium Park

The SWWTP is not proposed to cater for wet industry and discharge would not be permitted if there was ecotoxicity concerns. Feedback we have received shows that there is no current and wet industry planned for Titanium Park and the Airport and Southern Links precincts.

8. Potential extreme deoxygenation (sewage fungus) and algal slime (from nutrients) over large distances in stream.

The wastewater will be treated down to extremely low levels of biochemical oxygen demand and will be discharged with positive dissolved oxygen, not a deficit. Sewage fungus and slime is related to very poorly treated wastewater typically associated with septic tanks and poorly performing individual household systems.

Earlier this year, an ecological survey was carried out on the Nukuhau Stream and the stream had run dry. Testing of the little remaining water showed low levels of dissolved oxygen. If discharge to the stream is selected, the treated water would improve oxygen levels in the Nukuhau Stream (during times of drought).

Waikato River:

1. Discharge is upstream of Hamilton City Council's drinking water intakes

Although the discharge method has not yet been selected, we do know that the discharge point would be at least 1km upstream of the intake, which meets the proposed Taumata Arowai wastewater standards.

Almost all water intakes across New Zealand are downstream of some form of discharge, for example Hamilton is downstream of Cambridge's wastewater discharge.

- a. **Toxic/persistent industrial/domestic chemicals (e.g., including 'forever chemicals' – PFAS)**
- b. **Pharmaceutical passing through treatment system (e.g., multiple bioactive chemicals)**
- c. **Illicit narcotics (e.g., methamphetamine and cocaine)**

Investigations have commenced at Pukete WWTP to understand the types of forever chemicals, for example. PFAS and pharmaceuticals present in Hamilton City's wastewater. This information will be used to inform the environmental investigations for the SWWTP. Once this information is available, we will share this on our website.

2. Additional faecal microorganisms added to river above recreational areas in city

As outlined above, the discharge method has not yet been confirmed. However, if discharge to the Waikato River is selected as the preferred method, the level of disinfection that will occur at the Plant will mean that discharged water is suitable to swim in and any microorganisms are at extremely low levels.

3. Nutrient additions (nitrogen and phosphorus) to river will promote algal and macrophyte growths

Nitrogen and phosphorus will be removed during the treatment process. The nitrogen standard that has been adopted for the new Plant is one of the lowest in the world. Further environmental investigations will assess potential effects on algae and macrophyte growth.